GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5335
ANSWERED ON:29.04.2005
INSURANCE COVER TO MOBILE PHONES
Das Gupta Shri Gurudas

Will the Minister of FINANCE be pleased to state:

(a) whether a Public sector insurance company has entered into an agreement with a leading private telephone service provider for providing insurance cover to the mobile phones of that company;

(b) if so, whether the company incurred heavy losses in this transaction; and

(c) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

(a) During the year 2003-04, two public sector generaL insurance companies had provided insurance cover to mobile telephone service providers. While National Insurance Co. Ltd. (NIC) granted cover to M/s. Reliance Infocomm and Tata Teleservices for Handsets insurance and Default Liability insurance, Oriental Insurance Co. Ltd. (OIC) granted cover to M/s. Reliance Infocomm for Default Liability only.

(b) and (c) The details of premium and incurred claims for the year 2003-04 in respect of handsets insurance and default liability for both NIC and OIC are furnished below:â€”

(Rs. in Crores)

1. Reliance Infocomm

	Handsets Insurance		Default Liability	
	Premium	Incurred	Premium	Incurred
NIC	29.49	89.36	60.43	152.34
OIC	-	-	16.20	51.75

(Rs. in Crores)

2. Tata Teleservices

	Handsets Insurance		Default Liability	
NIC	Premium	Incurred	Premium	incurred
OIC	2.39	0.0003	5.04	7.18
	-	-	-	-